

**U.S. DEPARTMENT OF COMMERCE
CHARTER OF THE
MEASURING INNOVATION IN THE 21ST CENTURY ECONOMY
ADVISORY COMMITTEE**

ESTABLISHMENT

The Secretary of Commerce, having determined that it is in the public interest in connection with the performance of duties imposed by law upon the Department, including the Federal Advisory Committee Act (5 U.S.C. App.2), and with the concurrence of the General Services Administration, hereby establishes the Measuring Innovation in the 21st Century Economy Advisory Committee.

OBJECTIVES AND DUTIES

1. The Committee shall advise the Secretary on new or improved metrics on innovation in the economy. Better metrics will help improve our understanding of how innovation occurs in different sectors of the economy, how it is diffused across the economy, and how it impacts economic growth and productivity.
2. The Committee shall function solely as an advisory body and will comply fully with the requirements of the Federal Advisory Committee Act.

MEMBERSHIP

1. The Committee shall be under the direction of the Secretary of Commerce, and composed of not more than 15 members appointed by the Secretary.
2. Committee members shall be selected on a clear, standardized basis, in accordance with applicable Department of Commerce guidelines.
3. Committee members shall be from business and academia and shall be acknowledged experts in their academic field or knowledgeable about their industry sector.
4. The committee membership shall reflect the diversity of the American economy, representing leaders in the relevant academic fields and, among representatives of the business community, relevant industry sectors, and businesses of varying size, including small and medium-sized enterprises.
5. Committee members from the business community shall serve in a representative capacity. Committee members from the academic community shall serve as experts and will be considered Special Government Employees.

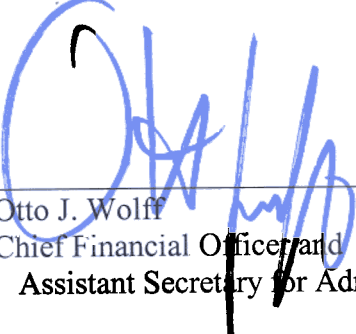
6. Since committee members will not have access to classified information, no security clearances are required.
7. Committee members shall be appointed for no more than two years, and will serve at the pleasure of the Secretary.
8. The Secretary, or his designee, shall designate a Chair and a Vice Chair from among the committee members.

ADMINISTRATIVE PROVISIONS

1. The Committee will report to the Secretary of Commerce on its activities and provide a progress assessment and final report. In creating these reports, the Committee will help identify what new or improved statistics should be considered and identify better data on what drives innovation and productivity growth.
2. The Committee will meet a minimum of three times with additional meetings at the call of the Secretary or his designee in the course of providing a progress assessment and final report on measuring innovation.
3. The Committee may establish such subcommittees from its members as necessary, subject to the provisions of the Federal Advisory Committee Act and Part II (Chapter 2, Section F) of the Department of Commerce Committee Management Handbook.
4. The Secretary's Senior Economic Policy Advisor will serve as the Executive Director.
5. The Economics and Statistics Administration shall provide funding, oversight and administrative support for the Council.
6. The Deputy Under Secretary for Economic Affairs is the Designated Federal Official (DFO). The DFO or his designee must be present at all committee meetings.
7. Committee members are not compensated for their services but, upon request, ESA will reimburse them for their travel (transportation and per diem) expenses.
8. The annual operating cost is estimated to be no more than \$100,000 with 1.5 person years of staff support.

DURATION

The committee shall terminate two years from the date of the filing of this charter with the appropriate U.S. Senate and House of Representatives Oversight Committees unless terminated earlier or renewed by proper authority.



Otto J. Wolff
Chief Financial Officer and
Assistant Secretary for Administration

05.14.06
Date